

Regular Session, 2014

SENATE CONCURRENT RESOLUTION NO. 40

BY SENATOR WHITE

PRIVATE SECURITY. Reduces the amount of insurance required of licensed private security companies for care, custody, and control from \$500,000 to \$100,000.

A CONCURRENT RESOLUTION

To amend the Department of Public Safety and Corrections rule (LAC 46:LIX.203(A)(10)(a)) that provides relative to general liability insurance required of private contract security companies; to reduce the minimum amount of insurance coverage required for care, custody, and control from five hundred thousand dollars to one hundred thousand dollars; and to direct the office of the state register to print the amendment in the Louisiana Administrative Code.

WHEREAS, R.S. 37:3276(E) requires a licensed private security company to have in effect general liability insurance of at least five hundred thousand dollars, with the state of Louisiana named as an additional insured; and

WHEREAS, LAC 46:LIX.203(A)(10)(a) requires that the general liability policy required by R.S. 37:3276 shall, at a minimum, contain coverage provisions for hiring, training and retention, errors and omissions, firearms, and care, custody, and control, with minimum limits equal to those set forth in R.S. 37:3276 and with contractual liability exclusive of sole negligence; and

WHEREAS, only one insurance company in Louisiana will issue a policy with a care, custody, and control endorsement with such high limits, thus placing an undue burden on many private security companies wishing to do business in this state; and

1 WHEREAS, the goal of state law should be to encourage business development and
2 growth, while protecting the public, both of which can be accomplished with lower limits
3 on care, custody, and control coverage for private security companies.

4 THEREFORE, BE IT RESOLVED by the Legislature of Louisiana that LAC
5 46:LIX.203(A)(10)(a) is hereby amended to read as follows:

6 §203. Application Procedure

7 A. Application must be made to the board on application forms obtained
8 from the board. If the applicant is an individual, the application shall be subscribed
9 and sworn to by such person. If the applicant is a partnership, the application shall
10 be subscribed and sworn to by each partner. If the applicant is a corporation, it shall
11 be subscribed and sworn to by at least two principal corporate officers. The
12 application shall include the following information:

13 * * *

14 10. general liability insurance:

15 a. the general liability policy as required by R.S. 37:3276 shall name the
16 state of Louisiana as an additional insured and, at a minimum, shall contain
17 **contractual liability exclusive of sole negligence and:**

18 **(i) coverage provisions for hiring, training and retention; errors and**
19 **omissions; and firearms; ~~care, custody and control~~, with minimum limits equal to**
20 **those set forth in R.S. 37:3276 for general liability coverage and with contractual**
21 **liability exclusive of sole negligence. The policy shall not void coverage for all**
22 **insureds based upon the exclusion of one insured;**

23 **(ii) an amendatory endorsement for care, custody, and control, with**
24 **minimum limits of one hundred thousand dollars;**

25 * * *

26 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
27 office of the state register and the secretary of the Department of Public Safety and
28 Corrections.

29 BE IT FURTHER RESOLVED that the office of the state register is hereby directed
30 to have the amendments to LAC 46:LIX.203(A)(10)(a) printed and incorporated into the

1 Louisiana Administrative Code.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alden A. Clement Jr.

DIGEST

White

SCR No. 40

Changes rule requiring a licensed private security company to have in effect a general liability policy containing, at a minimum, coverage provisions for hiring, training and retention, errors and omissions, firearms, and care, custody, and control, with minimum limits of \$500,000 and with contractual liability exclusive of sole negligence.

Changes the minimum limits for the required coverage for care, custody, and control from \$500,000 to \$100,000.

Directs the transmission of copies of this Resolution to the office of the La. Register and the secretary of the Dept. of Public Safety and Corrections.

Directs the La. Register to print the amendments in the La. Administrative Code.